

**BID FORM FOR ACTING AS DEPOSITORY FOR ALL FUNDS**

Board of Trustees

\_\_\_\_\_Independent School District

\_\_\_\_\_

\_\_\_\_\_

Board Members:

In accordance with your bid notice, the undersigned, a state or national banking corporation, hereinafter called Bidder, for privilege of acting as Depository for ALL funds of the \_\_\_\_\_ Independent School District, of \_\_\_\_\_, Texas, hereinafter called the District, for a term of two years beginning September 1, \_\_\_\_\_, and ending August 31, \_\_\_\_\_ or until such time as a successor Depository is named, agrees to:

A. Pay interest on funds of the District placed on interest-bearing time deposits with maturities as shown below. Please provide basis points above, below or equal to the "asked" rate on the T-Bill closest to the maturity date of the time deposit being purchased as reported in the Wall Street Journal.

Single Maturity Time Deposits of more than \$100,000:

MATURITY	Basis point spread over(+)/under(-) T-Bill "asked" rate
7 -- 29 Days	_____
30 -- 59 Days	_____
60 -- 89 Days	_____
90 -- 179 Days	_____
180 -- 364 Days	_____
365 Days or More	_____

B. All District Checking Accounts: All checking accounts as outlined on the Attachment to the bid notice will be maintained by a compensating balance by the District. A major portion of these balances will be invested in those investments permitted by the Government Code, Chapter 2256, Public Funds Investment. The excess collected balances will be moved daily by the bidder on instructions from the District into, or out of, any overnight type of investment secured by U. S. Government securities, as approved by the Depository Bank and the District. Please indicate below your recommendations as to the type of overnight investment and projected yield:

INVESTMENT	YIELD
_____	_____
_____	_____
_____	_____

C. In addition to the investments previously outlined, the District reserves the right to purchase, sell and invest its funds and funds under its control as authorized by the Government Code, Chapter 2256, Public Funds Investment and in compliance with the district's investment policy. A copy of the District's Investment Policy is attached.

D. The District will maintain balances in the checking accounts to compensate the bank in full or in part for services provided. Earnings credit for these balances should be reflected on the monthly account analysis provided to the District by applying the earnings credit rate (ECR) to the average investable balance in the account for the month. The ECR should be based on the average 91-day Treasury Bill auction rate or other average money market rate for the analysis month.

1. Please specify the Bank's method of calculating monthly earnings credit. Please include the definition of balances on which earnings are applied (example: collected balance before or after reserves), as well as the money market interest rate basis for the ECR and the money market rate period (current month, previous month) used for calculation.
2. Please provide the Bank's ECR for the most recent three months.
3. If the checking accounts will be interest bearing, please explain how interest earned during the month on the account balance would be reflected on the monthly account analysis.

E. If the district sells bonds; the District reserves the right to invest these monies as allowed by law.

F. The District desires the services shown on the following pages. Please indicate which services would be included in a compensating balance and also indicate the per unit charge associated with each item. The Depository Bank will provide the following services, as indicated on the following pages, for the compensation shown.

SERVICE	CAN BE INCLUDED IN COMPENSATING BALANCE		DIRECT FEE OR SERVICE CHARGE
	(YES)	(NO)	
Account Maintenance	_____	_____	_____
Deposits/Credits Posted	_____	_____	_____
Items Deposited	_____	_____	_____
Encoding Charge	_____	_____	_____
Clearing Charge	_____	_____	_____
Debits/Checks Paid	_____	_____	_____
Arrange Canceled Checks in Numerical Sequence	_____	_____	_____
Return Items - Recleared	_____	_____	_____
Return Items - Charged back	_____	_____	_____
Stop Payment	_____	_____	_____
Daily Balance Reporting	_____	_____	_____
Via Telephone	_____	_____	_____
Via Fax	_____	_____	_____
Cash Deposit Processing	_____	_____	_____
Coin Counting & Wrapping Service	_____	_____	_____
Rolls of Coin/Straps of Currency Purchased	_____	_____	_____
Wire Transfers	_____	_____	_____
Outgoing	_____	_____	_____
Incoming	_____	_____	_____
Mail Advices	_____	_____	_____
Telephone Transfers Between Accounts	_____	_____	_____
Insufficient Funds Items	_____	_____	_____
CPA Confirmations	_____	_____	_____

SERVICE	CAN BE INCLUDED IN COMPENSATING BALANCE		DIRECT FEE OR SERVICE CHARGE
	(YES)	(NO)	
Cashier's Checks	_____	_____	_____
FDIC Insurance	_____	_____	_____
Research/Statement Reproduction	_____	_____	_____
Collateral Fee	_____	_____	_____
Detailed monthly collateral report at market value	_____	_____	_____
One Safe Deposit Box (Size: _____ )	_____	_____	_____
Night depository services _____ Locking bank bags and _____ Night drop keys	_____	_____	_____
Safekeeping services for any book-entry securities purchased by the District	_____	_____	_____
Cash management advice on a semiannual basis	_____	_____	_____
Preparation of monthly bank statement beginning with first day of month and ending with the last day of month, showing debits, credits and balances of each separate account and sequential listing of cashed checks within five working days of closing date.	_____	_____	_____
Monthly account analysis statement	_____	_____	_____
Deposit Slips	_____	_____	_____
Coin wrappers and currency straps	_____	_____	_____
Endorsement Stamps	_____	_____	_____

Based on the above bank charges, please complete the attached pro forma account analysis utilizing the average ledger balance, collected balance and service volumes listed. Use your bank's reserve requirement and earning credit rate percentages that were in effect for government entities for the month of \_\_\_\_\_, 19 \_\_\_\_\_.

**G. For those banks that do not want to base cost of services on a fee basis that is determined by the pro forma account analysis, please indicate below the monthly checking account balance required to compensate the bank for the volume of services required by the district as listed on the account analysis form on page 8.**  
\$ \_\_\_\_\_

H. Funds availability:

1. Please include a copy of your current availability schedule.
2. What is your daily cut-off time for same day ledger credit on deposits?
3. Explain how float is calculated.

I. Although the District does not intend to have a net overdraft position throughout the course of the contract, please state the Bank's policy on overnight overdrafts and daylight overdrafts.

J. If the Depository elected to file with the District a corporate surety bond in an initial amount equal to the estimated highest daily balance of District funds determined by the Board of Trustees of the District to be on deposit with Depository during the term of this Depository Contract, then a fully executed copy of such corporate surety bond in the amount of \$ \_\_\_\_\_, in the form and conditioned as required by the Texas Education Code, will be required; provided further, that the initial amount of the corporate surety bond may rise or fall from day to day so long as all deposits of the District are fully and wholly protected.

K. If the Depository did not elect to make the corporate surety bond in the amount and as referred to in J. above, then the Depository shall have the option of pledging with a third party institution that has no relationship with the Depository bank, designated by the District, approved securities as defined in the Texas Education Code, in an amount at market value sufficient to adequately protect the funds of the District on deposit with Depository from day to day during the term of this proposal, provided that:

1. the approved securities shall be of the kind defined in the Texas Education Code and the amount pledged shall be in a total market value sufficient to adequately protect the funds of the District as directed at anytime by the Board of Trustees of the District in accordance with standards acceptable to the Texas Education Agency;
2. the pledge of approved securities shall be waived only to the extent of the exact dollar amount of Federal Deposit Insurance Corporation insurance protection for the funds of the District on deposit with the Depository from day to day, and in the event of any termination of such insurance protection this proposal shall immediately become void except as provided in 4. hereinafter;
3. the conditions of the pledge of approved securities required by this proposal are that the Depository shall faithfully perform all duties and obligations devolving upon the

Depository by law and this proposal, pay upon presentation all checks or drafts drawn on order of the Board of Trustees of the District in accordance with its orders duly entered according to the laws of Texas, pay upon demand any demand deposit of the District in the Depository, pay any time deposit or certificate of deposit of the District in the Depository upon maturity or after the period of notice required, and faithfully keep, account for as required by law, and faithfully pay over, at maturity or on demand as the District may elect, to any successor depository all balances of funds of the District then on deposit with the Depository;

4. the pledge of approved securities required by this proposal shall be a continuing pledge, ceasing only upon the later of the termination of a contract or the fulfillment by the Depository of all of its duties and obligations arising out of a contract, and a continuing security interest in favor of the District shall attach immediately upon any such pledge to all proceeds of sale and to all substitutions, replacements, and exchanges of such securities, and in no event shall such continuing security interest be voided by an act of the Depository; but notwithstanding the foregoing the Depository shall have the right, with the consent of the District, to purchase and sell, and substitute or replace, any and all of the approved securities pledged pursuant to this contract with other approved securities, provided that all of the other conditions of this proposal are adhered to by the Depository, and such pledge shall be in addition to all other remedies available in law to the District;

5. The District will be allowed to purchase time deposits which mature after the ending date of the depository contract; however, the Depository may apply new interest rates to the time deposits after the ending date of the contract; or the District will be allowed to withdraw the time deposits without penalty upon the ending date of the contract; however the Depository may apply the interest rates offered in the contract for the term the time deposit is actually held.

6. a contract shall become binding upon the District and the Depository only upon acceptance by the Texas Education Agency of the contract and the bid attached thereto, and the pledge of approved securities shall be evidenced to the Texas Education Agency by photocopies of safekeeping pledge to the District and the par value of the pledged securities at the date pledged;

7. the Depository shall immediately furnish or cause to be furnished to the District original and valid safekeeping or trust receipts issued by the bank holding the approved securities pledged pursuant to the contract, marked by the holding institution on their face to show the pledge and par value as required above and provide District with the current market value of each security pledged. The District shall promptly furnish all executed copies of the contract, photocopies of all such receipts, and photocopies of new receipts for substitutions and additions and written notice of deletions, when made, to the Texas Education Agency, School Financial Audits, William B. Travis Building, 1701 N. Congress Avenue, Austin, Texas 78701, for acceptance by the Texas Education Agency; and

8. upon any closing or failure of Depository or any event deemed by a state or federal regulatory agency, to constitute a closing or failure of depository, title to all securities pledged pursuant to this depository contract shall be deemed to be vested in, and be held by the ISD, and the ISD is hereby empowered to take immediate possession of and to sell any and all of such pledged securities, whether in safekeeping at another bank or in

possession of the ISD or the Depository, and the ISD is specifically so empowered by execution of this contract.

L. What is the maximum dollar amount of collateral your institution will provide for deposits belonging to the school district?\_\_\_\_\_

M. Does the financial institution collateralize deposits of the district based on ledger or collected balances?\_\_\_\_\_

N. Please provide the following additional information:

1. State full name and address of your company and parent company if you are a subsidiary. Proposing bank shall include a list of branch locations within the district boundary.

2. Enclose annual audited financial operating statements for the past year, plus a call report of the most recent operating quarter. Members of bank holding companies include corporate annual financial statements and your individual bank's call report for the most recent operating quarter. Additional data may be requested, if necessary.

3. The district will require the selected depository to designate a bank officer as a primary contact with the school district.

Name\_\_\_\_\_

Telephone # \_\_\_\_\_

4. A pre-award interview may be conducted on site at the respective offeror's location during evaluation and prior to contract award. Please provide the District with a contact name and telephone number for arranging the pre-award interview.

5. Provide a statement of any current or potential conflicts of interest.

6. Please attach a list of any other services your Bank can render for the District. Often bids are so nearly identical that additional banking services, such as short term loans to the District or service rendered without cost to the District, can be a determining factor in the awarding of the contract. Items listed in this section should relate to the District only. Services to employees or individuals associated with the District cannot be taken into consideration.

O. This bid was requested by the District and is made by Bidder with the expressed agreement and understanding that District reserves the right to reject any and/or all bids and the further right that if any portion or provision of this bid and/or any contract between Bidder and District entered into by virtue thereto is invalid, the remainder of this bid and/or resulting contract at the option of the District shall remain in full force and effect, and not be affected by said invalid portion or provision.

P. Attached hereto is a Cashier's Check in the sum of \$\_\_\_\_\_ payable to the District. If this bid to be Depository of all District funds or to be Depository of only a designated amount of said funds is accepted, said check is to secure the performance of said bid, and if Bidder fails to enter into a contract with District as provided in this bid, then said check shall be cashed by District as liquidated damages for said failure. If the Bidder enters into a contract with the District, the District shall return the check to the Bidder. In the event this bid is not accepted, the check is to be returned to the Bidder immediately after the contract award is made.

Dated this the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_

BIDDER:

BY: (signature of authorized bank officer)

TITLE:

ADDRESS:

TELEPHONE NUMBER:



# **NET MONTHLY EARNINGS/EXPENSE COMPUTATION**

_____ ISD _____, 19____	
_____ Account _____	
AVERAGE LEDGER BALANCE	\$ _____
LESS: AVERAGE FLOAT	_____
EQUALS AVERAGE COLLECTED BALANCE	\$ _____
LESS: RESERVE REQUIREMENT @ _____ %	_____
EQUALS INVESTABLE BALANCE	_____
X EARNINGS CREDIT RATE @ _____ %	_____
EQUALS NET MONTHLY EARNINGS CREDIT	\$ _____

## **ACTIVITY SERVICE CHARGES**

	<i>AVERAGE PROJECTED MONTHLY VOLUME/UNITS</i>	<i>ESTIMATED MONTHLY UNIT PRICE</i>	<i>TOTAL ESTIMATED MONTHLY SERVICE CHARGE</i>
<b>PROCESSING SERVICES</b>			
Account Maintenance	_____	\$ _____	\$ _____
Bank Statement	_____	_____	_____
Deposits/Credit Posted	_____	_____	_____
Items Deposited:			
Encoding Charge	_____	_____	_____
Clearing Charge	_____	_____	_____
Debits/Checks Paid	_____	_____	_____
Returned Item - recleared	_____	_____	_____
Returned Item - charged back	_____	_____	_____
Check Serial Sort:			
Per Account	_____	_____	_____
Per Item	_____	_____	_____
Wire Transfer:			
Incoming Wire	_____	_____	_____
Outgoing Wire	_____	_____	_____
Mail Advice	_____	_____	_____
Telephone Transfer Between Accounts _____		_____	_____
Stop Payment	_____	_____	_____
Daily Balance Reporting	_____	_____	_____
Cash & Currency Processing:			
Currency Deposited	_____	_____	_____
Coin Deposited	_____	_____	_____
Currency Straps Purchased	_____	_____	_____
Coin Rolls Purchased	_____	_____	_____
Collateral Charge	_____	_____	_____
FDIC Insurance Charge	_____	_____	_____
Other Charges:			
<b>TOTAL SERVICE PRICE</b>			<b>\$ _____</b>
<b>NET EXCESS/(DEFICIT)</b>			<b>\$ _____</b>
<b>TOTAL COMPENSATING BALANCE REQUIRED FOR SERVICES</b>			<b>\$ _____</b>
<b>* NET BALANCES AVAILABLE FOR OTHER SERVICE OR</b>			<b>\$ _____</b>
<b>SERVICE CHARGE DUE FOR PERIOD</b>			<b>\$ _____</b>

\* Please attach the formula used to determine the net balances available for other services.

## **ELECTRONIC BANKING PRODUCTS**

**Insert the following 3 pages only if your district is currently using electronic banking products or if you anticipate using some or all of these products during the upcoming depository contract.**

## **ELECTRONIC BANKING PRODUCTS**

Please attach explanations pertaining to the following questions relating to electronic bank products.

### **1. WIRE TRANSFERS**

Is a personal computer access system available for initiating wire transfers?

Does the system allow initiation of repetitive and non repetitive transfers?

Is a secondary authorization security feature available?

At what time is the system accessible each day?

What procedures are in place in case of system failure?

What systems are in place to confirm receipt of incoming wires?

What other features are available through the system?

Can the cost of the service be included in compensating balances?

What is the cost of the service? How do these prices compare to telephone initiated wire transfers?

	Via Computer	Via Telephone/Fax
Monthly Maintenance	_____	_____
Line Access Charge	_____	_____
Outgoing Repetitive	_____	_____
Outgoing Non-Repetitive	_____	_____
Repetitive Internal Transfer	_____	_____
Non-Repetitive Internal Transfer	_____	_____
Other Charges:		
_____	_____	_____
_____	_____	_____
_____	_____	_____

### **2. STOP PAYMENTS**

Is a personal computer access system available for initiating stop payments?

Does the system notify the user that a check has already been paid? If so, when?

At what time is the system accessible each day?

How is receipt of a stop payment order confirmed?

How long do stop payments remain in effect?

Can the cost of the service be included in compensating balances?

What is the cost of the service? How does this cost compare to telephone/written instructions?

	Via Computer	Via Telephone/Fax
Monthly Maintenance	_____	_____
Line Access Charge	_____	_____
Stop Payment Orders	_____	_____
Stop Payment Deletions	_____	_____
Other Charges:	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### 3. BALANCE REPORTING

Is a personal computer access system available for balance reporting?

What information is available on the system? Attach a sample report. How does this information compare to what is available via telephone balance reporting?

At what time is the system accessible each day? What procedures are in place in case the system is down? How many days has the system been down in the past 3 months?

Can the cost of the service be included in compensating balances?

What is the cost of the service? How does this compare to telephone balance reporting?

	Via Computer	Via Telephone/Fax
Monthly Maintenance	_____	_____
Line Access Charge	_____	_____
Per Account	_____	_____
Per Debit/Credit Reported	_____	_____
Other Charges:	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### 4. DIRECT DEPOSIT OF PAYROLL

Does your system support tape input? Personal computer input? Mainframe transmission?

What file format is required?

Where must tapes be delivered? What is the deadline to receive tapes for a Friday payroll?

What is the deadline for a Friday payroll for personal computer transmission? For mainframe transmission?

What is involved with correcting items? Stop payments?

Can the cost of the service be included in compensating balances?

What is the cost of the service?

Monthly Maintenance	_____
Input:	
Tape	_____
Personal Computer Transmission	_____
Mainframe Transmission	_____
Vendor	_____
ACH Credit -- two day item	_____
ACH Debit -- two day item	_____
Delete/Reversal (Stop Payment)	_____
_____	
Return Item	_____
Return Item Reclear	_____
Return Item Notification	_____
Other Charges:	_____
_____	_____
_____	_____

## 5. ACCOUNT RECONCILIATION

Do you offer tape, floppy disk, or direct data transmission output?

Do you offer full reconciliation (i.e., do you accept a tape of paid items)?

Are checks sorted in check number order as part of the reconciliation service?

What file format is required?

How soon after month-end is reconciliation available?

Can the cost of the service be included in compensating balances?

What is the cost of the service?

Partial Account Reconciliation	
Monthly maintenance	_____
Per item	_____
Serial sort	_____
Output:	
Tape	_____
Personal computer transmission	_____
Mainframe transmission	_____
Full Account Reconciliation	
Monthly maintenance	_____
Per item	_____
Serial sort	_____